



Billing Code: 5001-06

DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 18-06]

Arms Sales Notification

AGENCY: Defense Security Cooperation Agency, Department of Defense.

ACTION: Arms sales notice.

SUMMARY: The Department of Defense is publishing the unclassified text of an arms sales notification.

FOR FURTHER INFORMATION CONTACT: Pamela Young, (703) 697-9107, pamela.a.young14.civ@mail.mil or Kathy Valadez, (703) 697-9217, kathy.a.valadez.civ@mail.mil; DSCA/DSA-RAN.

SUPPLEMENTARY INFORMATION: This 36(b)(1) arms sales notification is published to fulfill the requirements of section 155 of Public Law 104-164 dated July 21, 1996. The following is a copy of a letter to the Speaker of the House of Representatives, Transmittal 18-06 with attached Policy Justification and Sensitivity of Technology.

Dated: October 19, 2018.

Aaron T. Siegel,

Alternate OSD Federal Register Liaison Officer,

Department of Defense.



DEFENSE SECURITY COOPERATION AGENCY

201 12TH STREET SOUTH, STE 203
ARLINGTON, VA 22202-5408

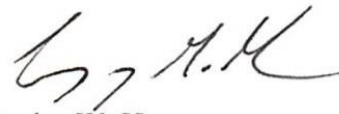
APR 18 2018

The Honorable Paul D. Ryan
Speaker of the House
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Speaker:

Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, we are forwarding herewith Transmittal No. 18-06, concerning the Navy's proposed Letter(s) of Offer and Acceptance to the Government of Mexico for defense articles and services estimated to cost \$1.2 billion. After this letter is delivered to your office, we plan to issue a news release to notify the public of this proposed sale.

Sincerely,


Charles W. Hooper
Lieutenant General, USA
Director

Enclosures:

1. Transmittal
2. Policy Justification
3. Sensitivity of Technology

Transmittal No. 18-06

Notice of Proposed Issuance of Letter of Offer
Pursuant to Section 36(b)(1)
of the Arms Export Control Act, as amended

(i) Prospective Purchaser: Government of Mexico

(ii) Total Estimated Value:

Major Defense Equipment*	\$.8 billion
Other	<u>\$.4 billion</u>
TOTAL	\$1.2 billion

(iii) Description and Quantity or Quantities of Articles or Services under Consideration for Purchase:

Major Defense Equipment (MDE):

Eight (8) MH-60R Multi-Mission Helicopters, equipped with:
Twenty (20) T-700 GE 401 C Engines (16 installed and 4 spares)
Sixteen (16) APS-153(V) Multi-Mode Radars (8 installed, 8 spares)
Ten (10) Airborne Low Frequency System (ALFS) (8 installed and 2 spares)
Twelve (12) AN/AAS-44C Multi-Spectral Targeting Systems Forward Looking
Infrared Systems (8 installed, 4 spares)
Twenty (20) Embedded Global Positioning System/Inertial Navigation Systems
(EGI) with Selective Availability/Anti-Spoofing Module (16 installed and 4
spares)
Thirty (30) AN/AVS-9 Night Vision Devices
One thousand (1,000) AN/SSQ-36/53/62 Sonobuoys
Ten (10) AGM-114 Hellfire Missiles
Five (5) AGM-114 M36-E9 Captive Air Training Missiles
Four (4) AGM-114Q Hellfire Training Missiles
Thirty eight (38) Advanced Precision Kill Weapons System (APKWS) II Rockets
Thirty (30) Mk -54 Lightweight Hybrid Torpedoes (LHTs)
Twelve (12) M-240D Machine Guns
Twelve (12) GAU-21 Machine Guns

Non-MDE:

Also included are twelve (12) AN/ARC-220 High Frequency radios; fourteen (14)
AN/APX-123 Identification Friend or Foe Transponders (8 installed and 6
spares); spare engine containers; facilities study, design, and construction; spare
and repair parts; support and test equipment; communication equipment; ferry
support; publications and technical documentation; personnel training and training
equipment; U.S. Government and contractor engineering, technical and logistics support
services; and other related elements of logistical and program support.

(iv) Military Department: Navy (MX-P-SAA)

(v) Prior Related Cases, if any: None

(vi) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None

(vii) Sensitivity of Technology Contained in the Defense Article or Defense Services Proposed to be Sold: See Attached Annex

(viii) Date Report Delivered to Congress: April 18, 2018

*As defined in Section 47(6) of the Arms Export Control Act.

POLICY JUSTIFICATION

Mexico – MH-60R Multi-Mission Helicopters

The Government of Mexico has requested to buy eight (8) MH-60R Multi-Mission Helicopters, equipped with: twenty (20) T-700 GE 401 C engines (16 installed and 4 spares); sixteen (16) APS-153(V) Multi-Mode radars (8 installed, 8 spares); ten (10) Airborne Low Frequency Systems (ALFS) (8 installed and 2 spares); fourteen (14) AN/APX-123 Identification Friend or Foe transponders (8 installed and 6 spares); twelve (12) AN/AAS-44C Multi-Spectral Targeting Systems Forward Looking Infrared Systems (8 installed, 4 spares); twenty (20) Embedded Global Positioning System/Inertial Navigation Systems (EGI) with Selective Availability/Anti-Spoofing Module (16 installed and 4 spares); thirty (30) AN/AVS-9 Night Vision Devices; one thousand (1,000) AN/SSQ-36/53/62 Sonobuoys; ten (10) AGM-114 Hellfire missiles; five (5) AGM-114 M36-E9 Captive Air Training missiles; four (4) AGM-114Q Hellfire training missiles; thirty eight (38) Advanced Precision Kill Weapons System (APKWS) II rockets; thirty (30) Mk -54 Lightweight Hybrid Torpedoes (LHTs); twelve (12) M-240D machine guns; twelve (12) GAU-21 Machine Guns. Also included are twelve (12) AN/ARC-220 High Frequency radios; spare engine containers; facilities study, design, and construction; spare and repair parts; support and test equipment; communication equipment; ferry support; publications and technical documentation; personnel training and training equipment; U.S. Government and contractor engineering, technical and logistics support services; and other related elements of logistical and program support. The total estimated value is \$1.20 billion.

This proposed sale will support the foreign policy and national security of the United States by helping to improve the security of a strategic regional partner. Mexico has been a strong partner in combating organized crime and drug trafficking organizations. The sale of these aircraft to Mexico will significantly increase and strengthen its maritime capabilities. Mexico intends to use these defense articles and services to modernize its armed forces and expand its existing naval and maritime support of national security requirements and in its efforts to combat criminal organizations.

The proposed sale will improve Mexico's ability to meet current and future threats from enemy weapon systems. The MH-60R Multi-Mission Helicopter will enable Mexico to perform anti-surface and anti-submarine warfare missions and secondary missions including vertical replenishment, search and rescue, and communications relay. Mexico will use the enhanced capability as a deterrent to regional threats and to strengthen its homeland defense. Mexico will have no difficulty absorbing this equipment into its armed forces.

The proposed sale of this equipment and support will not alter the basic military balance in the region.

The principal contractor will be Lockheed Martin Rotary and Mission Systems in Owego, New York. There are no known offset agreements in connection with this potential sale.

Implementation of this proposed sale will require the assignment of additional U.S. Government and/or contractor representatives to Mexico.

There will be no adverse impact on U.S. defense readiness as a result of this proposed sale.

Notice of Proposed Issuance of Letter of Offer
Pursuant to Section 36(b)(1)
of the Arms Export Control Act

Annex
Item No. vii

(vii) Sensitivity of Technology:

1. The MH-60R Multi-Mission Helicopter focuses primarily on anti-submarine and anti-surface warfare missions. The MH-60R carries several sensors and data links to enhance its ability to work in a network centric battle group as an extension of its home ship/main operating base. The mission equipment subsystem consists of the following sensors and subsystems: an acoustics systems consisting of a dipping sonar and sonobuoys, Multi-Mode Radar (MMR) with integral Identification Friend or Foe (IFF) interrogator, Electronic Support Measures (ESM), Integrated Self-Defense (ISD), and Multi-Spectral Targeting System (MTS). Also, Night Vision Devices (AN/AVS-9) for CONOPS and interoperability with USN. It can carry AGM-114A/B/K Hellfire missiles, as well as Mk 46/54 torpedoes to engage surface and sub-surface targets. The Mexican MH-60R platform will include provisions for the Mk 54 light weight torpedo. The MH-60R weapons system is classified up to SECRET. Unless otherwise noted below, MH-60R hardware and support equipment, test equipment, and maintenance spares are UNCLASSIFIED except when electrical power is applied to hardware containing volatile data storage. Technical data and documentation for MH-60R weapons systems (including sub-systems and weapons listed below) are classified up to SECRET. The sensitive technologies include:

- a. The AGM-114 HELLFIRE missile is an air-to-surface missile with a multi- mission, multi-target, precision strike capability. The HELLFIRE can be launched from multiple air platforms and is the primary precision weapon for the United States Army. The highest level for release of the AGM-114 HELLFIRE is SECRET, based upon the software. The highest level of classified information that could be disclosed by a proposed sale or by testing of the end item is SECRET; the highest level that must be disclosed for production, maintenance, or training is CONFIDENTIAL. Reverse engineering could reveal CONFIDENTIAL information. Vulnerability data, countermeasures, vulnerability/susceptibility analyses, and threat definitions are classified SECRET or CONFIDENTIAL.
- b. Advanced Precision Kill Weapons System (APKWS) II laser guided rocket to counter the fast attack craft and fast inshore attack craft threat. APKWS hardware is UNCLASSIFIED.
- c. The light-weight hybrid air launched torpedo (Mk 54 LHT) is for surface and subsurface targets. The acquisition of Mk-54 LHT will include ancillary equipment and publications.
- d. Communications security devices contain sensitive encryption algorithms and keying material. The purchasing country has previously been released and utilizes COMSEC devices in accordance with set procedures and without issue. COMSEC devices will be classified up

to SECRET when keys are loaded.

e. Identification Friend or Foe (IFF) (KIV-78) contains embedded security devices containing sensitive encryption algorithms and keying material. The purchasing country will utilize COMSEC devices in accordance with set procedures. The AN/APX-123 is classified up to SECRET.

f. GPS/PPS/SAASM - Global Positioning System (GPS) provides a space-based Global Navigation Satellite System (GNSS) that has reliable location and time information in all weather and at all times and anywhere on or near the earth when and where there is an unobstructed line of sight to four or more GPS satellites. Selective Availability/Anti-Spoofing Module (SAASM) (AN/PSN-11) is used by military GPS receivers to allow decryption of precision GPS coordinates. The GPS hardware is UNCLASSIFIED. When electrical power is applied, the system is classified up to SECRET.

g. Acoustics algorithms are used to process dipping sonar and sonobuoy data for target tracking and for the Acoustics Mission Planner (AMP), which is a tactical aid employed to optimize the deployment of sonobuoys and the dipping sonar. Acoustics hardware is UNCLASSIFIED. The acoustics system is classified up to SECRET when environmental and threat databases are loaded and/or the system is processing acoustic data.

h. The AN/APS-153 multi-mode radar with an integrated IFF and Inverse Synthetic Aperture (ISAR) provides target surveillance/detection capability. The AN/APS-153 hardware is unclassified. When electrical power is applied and mission data loaded, the AN/APS-153 is classified up to SECRET.

i. The AN/ALQ-210 (ESM) system identifies the location of an emitter. The ability of the system to identify specific emitters depends on the data provided by the Mexican Navy. The AN/ALQ-210 hardware is UNCLASSIFIED. When electrical power is applied and mission data loaded, the AN/ALQ-210 system is classified up to SECRET.

j. The AN/AAS-44C Forward Looking Infrared Radar (FLIR) uses the Multi-spectral Targeting System (MTS) that allows it to operate in day/night and adverse weather conditions. Imagery is provided by an Infrared sensor, a color/monochrome DTV, and a Low-Light TV. The AN/AAS-44C hardware is UNCLASSIFIED. When electrical power is applied, the AN/AAS-44C is classified up to SECRET.

k. Satellite Communications Demand Assigned Multiple Access (SATCOM DAMA), which provide increased, interoperable communications capabilities with US forces. SATCOM DAMA hardware is UNCLASSIFIED. When electrical power is applied and mission data loaded these systems are classified up to SECRET.

2. All the mission data, including sensitive parameters, is loaded from an off board station before each flight and does not stay with the aircraft after electrical power has been removed. Sensitive technologies are protected as defined in the program protection and anti-tamper plans. The mission data and off board station are classified up to SECRET.

3. If a technologically advanced adversary were to obtain knowledge of the specific hardware and software elements, the information could be used to develop countermeasures which might reduce weapon system effectiveness or be used in the development of a system with similar or advanced capabilities.

4. A determination has been made that the recipient country can provide substantially the same degree of protection for the sensitive technology being released as the U.S. Government. This sale is necessary in furtherance of the U.S. foreign policy and national security objectives outlined in the Policy Justification.

5. All defense articles and services listed in this transmittal have been authorized for release and export to Mexico.

[FR Doc. 2018-23259 Filed: 10/23/2018 8:45 am; Publication Date: 10/24/2018]